

Fiscal Estimate - 2009 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 09-3950/1		Introduction Number SB-431	
Description The use of the terms college, university, state, and Wisconsin in the name of a school; the issuing, manufacture, or use of a false academic credential; the false use of a legitimate academic credential; making an appropriation; and providing a penalty			
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap; padding-left: 20px;"><div style="width: 33%;"><input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations</div><div style="width: 33%;"><input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 33%;"><input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs</div></div> Local: <div style="display: flex; flex-wrap: wrap; padding-left: 20px;"><div style="width: 33%;"><input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;"><input type="checkbox"/> Increase Revenue 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;">5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts</div><div style="width: 33%;"><input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts</div><div style="width: 33%;"><input type="checkbox"/> Cities <input type="checkbox"/></div></div></div></div>			

Fiscal Estimate Narratives

DOJ 2/1/2010

LRB Number	09-3950/1	Introduction Number	SB-431	Estimate Type	Original
Description The use of the terms college, university, state, and Wisconsin in the name of a school; the issuing, manufacture, or use of a false academic credential; the false use of a legitimate academic credential; making an appropriation; and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

Under 2009 Senate Bill 431, no school may use the terms "college" or "university" in its name unless the school meets certain requirements, or use the terms "state" or "Wisconsin" in its name if the use of the term operates to mislead the public into believing that the school is affiliated with the UW system, technical college system, or this state, unless the school actually is so affiliated. Also under SB 431, the Attorney General or any District Attorney may bring an action in circuit court for the enforcement of these provisions.

The Department of Justice is not aware of any data that accurately indicates how often schools would violate the above provisions and which violations would be handled by the AG or the local DA. If the number of cases investigated and prosecuted by the AG is significant, DOJ will require additional resources.

Long-Range Fiscal Implications

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Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS s.20.292 (2)(g)			
Agency/Prepared By		Authorized Signature	Date
EAB/ David Dies (608) 267-7733		David Dies (608) 267-7733	1/8/2010

Fiscal Estimate Narratives

EAB 1/8/2010

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Assumptions Used in Arriving at Fiscal Estimate

This bill would create "diploma mill" legislation that would make it a crime to for a person to manufacture or issue a false academic credential, or for a person who knowingly uses or claims to have a false academic credential. The bill would also protect the use of the terms "college," "university," "state" and "Wisconsin" in the name of a (postsecondary) school and directs the Educational Approval Board (EAB) to maintain a list of schools authorized to use these terms on its website.

Only those postsecondary institutions granted accreditation from a either an accreditor recognized by the U.S. Secretary of Education, have the foreign equivalent of that accreditation as determined by the EAB, or have accreditation that is recognized by the Council for Higher Education Accreditation would be permitted to use the terms "college" or "university." For a school that is exempt from EAB oversight, the terms "state" and "Wisconsin" could only be used if it did not mislead the public into believing that the school is affiliated with the UW or technical college systems.

The EAB currently maintains a list of approved schools on its website and provides information about those schools that are exempt from approval. It is assumed that the requirement directing the EAB to maintain a list of the schools authorized to use the protected terms on its website pertains those schools the EAB approves, and not all schools that are exempt from approval, which would include over 6000 postsecondary institutions in the United States. Under this assumption, the provision would have no fiscal impact on the EAB.

The bill also permits the EAB to charge a fee for evaluating an educational institution to determine if it meets standards of academic quality comparable to those of accredited institutions. Because any postsecondary institution seeking to serve Wisconsin residents currently needs to be approved by the EAB, unless specifically exempt, and must pay a fee in accordance with the fee structure prescribed in administration rule (see s.EAB 4.10), the EAB assumes little, if any, additional revenue will be generated as a result of the bill.

Long-Range Fiscal Implications

None